

PPM Loan No. _____

**SUBORDINATION, NON-DISTURBANCE
AND ATTORNMENT AGREEMENT**

THIS SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT (this "**Agreement**"), made this 28th day of September, 2004, by, between and among CLPF-Seattle Distribution Center, LP, a Delaware Limited Partnership, successor-in-interest to Schnitzer Investment Corp., ("**Landlord**"), Longview Fibre Company, a Washington Corporation ("**Tenant**") and Jackson National Life Insurance Company, a Michigan corporation ("**Lender**").

WHEREAS, Landlord and Tenant have entered into that certain Lease dated May 1, 2004, (the "**Lease**") whereby Tenant agreed to lease from Landlord certain premises located in King County, Washington and more fully described on Exhibit A hereto and incorporated herein (the "**Leased Premises**"); and

WHEREAS, Lender has agreed to grant a loan to Landlord (the "**Loan**") which Loan is to be secured by a deed of trust or mortgage on certain real property, including the Leased Premises (the "**Mortgage**"), by an Assignment of Landlord's interest in all leases, rents, profits and contracts for such property (the "**Assignment of Leases**") and other documents executed or to be executed in connection therewith; and

WHEREAS, Tenant has requested that Lender agree not to disturb Tenant's possessory rights in the Leased Premises if Lender should foreclose its Mortgage provided that Tenant is not in default under the Lease and further provided that Tenant attorns to Lender or the purchaser at any foreclosure sale or to any party who takes a deed in lieu of foreclosure; and

WHEREAS, Lender is willing so to agree on the terms and conditions hereafter provided.

NOW THEREFORE, in consideration of the mutual promises herein contained, to induce Lender to make the Loan and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Landlord, Tenant and Lender covenant and agree as follows:

1. The Lease and Tenant's leasehold estate created thereby, including all rights under the Lease, shall be and are completely and unconditionally subject and subordinate to the lien of the Mortgage and to all the terms, conditions and provisions thereof, to all advances made to or to be made thereunder, to any renewals, extensions, modifications or replacements thereof, and to any subsequent mortgage with which the Mortgage may be spread and/or consolidated.
2. Tenant agrees that it will attorn to and recognize any purchaser at a foreclosure sale under the Mortgage, any person or entity who acquires the real property of which the Lease Premises form a part by deed in lieu of foreclosure, and the successors and assigns of such



purchaser, as its Landlord for the unexpired balance (and any extensions, if exercised) of the term of the Lease upon the same terms and conditions set forth in the Lease.

3. In the event that it should become necessary to foreclose the Mortgage, Lender will not disturb Tenant's possession under the Lease so long as Tenant is not in default under any of the terms, covenants, or conditions of the Lease.
4. In the event that Lender or any other party shall succeed to the interest of Landlord under the Lease, or otherwise becomes entitled to and takes possession of the Property, Lender, or any subsequent owner, shall not be:
 - A. Liable for any act or omission of any prior landlord (including Landlord); or
 - B. Liable for the return of any security deposit unless such security deposit has physically been received by Lender; or
 - C. Subject to any offsets or defenses which Tenant might have against any prior landlord (including Landlord); or
 - D. Bound by any rent or additional rent which Tenant might have paid for more than the current month to any prior landlord (including Landlord); or
 - E. Bound by any previous amendment, modification, financial settlement or termination of the Lease made without Lender's written consent; or
 - F. Obligated to reimburse Tenant for any costs which arise from the failure to have the Premises completed and ready for occupancy within the time requirements if any by the Lease; or
 - G. Obligated or liable with respect to the construction and completion of any improvements for tenant's use and occupancy.
5. Tenant shall not pay an installment of rent or any part thereof more than thirty (30) days prior to the due date of such installment.
6. Tenant agrees that any amendment, modification, termination or financial settlement to the Lease shall not become affective until after thirty (30) days after presentation by Landlord to Lender under a notice mailed U.S. certified mail, return receipt requested to the address set forth below, the date of posting being deemed date of delivery to Lender. Such approval not to be unreasonably withheld by Lender. Lender's failure to deliver written objections within said thirty day period specifying specific reasons as a basis of withholding consent shall be deemed consent. It shall be reasonable for Landlord to object to any financial amendment which does not reduce Tenant's monetary obligations for the term. Any amendment, modification, termination or financial settlement to the Lease entered into without Lender's written consent shall be null and void.

7. Tenant agrees to give Lender, by registered mail, a copy of any notice of default served upon the Landlord, provided that prior to such notice Tenant has been notified in writing (by way of Notice of Assignment of Rents and Leases or otherwise) of the address of such Lender. This Agreement shall constitute notice to Tenant of Lender's address as set forth below. Tenant further agrees that if Landlord shall have failed to cure such default within the time provided for in the Lease, then the Lender, if it elects to cure such default, shall have an additional (30) days within which to cure such default or if such default cannot be cured within that time, then such additional time as may be necessary. If within such thirty (30) days, Lender has commenced and is diligently pursuing the remedies necessary to cure such default (including but not limited to commencement of foreclosure proceedings, if necessary to effect such cure), in which event the Lease shall not be terminated while such remedies are being so diligently pursued. In the event Lender commences foreclosure proceedings to remedy a Landlord default, then Lender agrees that it should remain liable for the default and cure notwithstanding the provisions of paragraph 4.
8. After notice is given to Tenant by Lender, pursuant to the Assignment, that the rentals under the Lease should be paid to Lender, Tenant shall pay to Lender, or in accordance with the directions of Lender, all rentals and other monies due and to become due to Landlord under the Lease, and Landlord hereby expressly authorizes Tenant to make such payments to Lender and hereby releases and discharges Tenant of and from any liability to Landlord on account of any such payments.
9. This Agreement shall inure to the benefit of and shall be binding upon Tenant, Landlord and Lender, and their respective heirs, personal representatives, successors and assigns provided that the interest of Tenant under this Agreement may not be transferred or assigned without Lender's written consent. In the event any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or enforceability shall, at the option of Lender, not affect any other provisions of this Agreement, but this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein. This Agreement shall be governed by and construed according to the laws of the State of Washington.
10. No modification, amendment, waiver or release of any provision of this Agreement or any right, obligation, claim or cause of action arising thereunder shall be valid or binding for any purpose whatsoever unless in writing and duly executed by the party against whom the same is sought to be asserted.
11. Where under this document rights and obligations are created between Tenant and Lender, at or subsequent to foreclosure proceedings, "Lender" shall be deemed to include any purchaser at a foreclosure sale or trustee's sale and any purchaser acquiring title through mortgage foreclosure proceedings.
12. Except for Landlord's Estoppel Certificate delivered to Tenant concurrently herewith, Tenant has not relied upon any representation (either oral or in writing) of Lender in executing the Lease, the Estoppel Certificate or this Agreement and Tenant shall look only to Landlord to fulfill the terms, covenants and conditions of the Lease.

13. Nothing contained in this Agreement shall in any way impair or affect the lien created by the Mortgage.

14. Notices shall be in writing and delivered by certified mail, return receipt requested.

If to Lender, to: PPM Finance, Inc., as a agent for
Jackson National Life Insurance Company
225 West Wacker Drive, Suite 1200
Chicago, IL 60606

If to Landlord, to: Schnitzer Investment Corp.,
Attn: SIC Asset Manager
225 108th Avenue, NE, Suite 400
Bellevue, WA 98004

If to Tenant, to: Longview Fibre Company
Attn: Senior V.P. Container Group
P.O. Box 24867
Seattle, WA 98124

IN WITNESS WHEREOF, the parties hereto cause this Agreement to be duly executed the day and year first above written.

Landlord:

Address:

1001 Fourth Avenue
Suite 3040
Seattle, WA 98154

CLPF-Seattle Distribution Center, LP, Successor in
Interest to Schnitzer Investment Corp.
(A Delaware Limited Partnership)

By: 

PATRICK GOUDIN

Its: AUTHORIZED SIGNATORY

Tenant:

Address:

P.O. Box 24867
Seattle, WA 98108

Longview Fibre Company
A Washington Corporation

By: 

Its Senior Vice President

Lender:

Address:

225 West Wacker Drive
Suite 1200
Chicago, Illinois 60606

PPM FINANCE, INC., as a agent for
JACKSON NATIONAL LIFE
INSURANCE COMPANY, (A Michigan
Corporation)

By: 

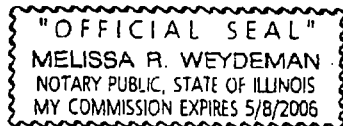
David M. Zachar, Executive Vice President

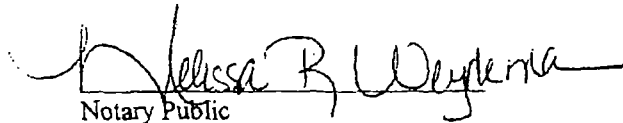
Its: _____

STATE OF ILLINOIS)
) ss.
COUNTY OF COOK)

On the 1st day of November, 2004, before me, a notary public in and for the State and County aforesaid, personally appeared **David M. Zachar**, who acknowledged himself to be the Executive Vice President of PPM Finance, Inc., a corporation and authorized agent for Jackson National Life Insurance Company, a corporation, and that he as such officer, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the authorized agent of the corporation by himself as such Executive Vice President.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.




Notary Public

STATE OF New York)
COUNTY OF Nassau) ss

On the 18 day of October, 2004, before me, a notary public in and for the State and County aforesaid, personally appeared Patricia Brown who acknowledged himself/herself to be the Authorized Signatory of CLPF-Seattle, Inc. a LP, and that he/she as such officer, being authorized to do, executed the foregoing instrument for the purposes therein contained by signing the name of the authorized agent of the company by himself/herself as such authorized person.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Alice M. McAvoy
Notary Public

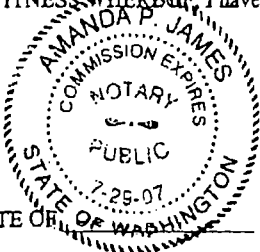
My Commission Expires: _____

STATE OF Washington)
COUNTY OF Cowlitz) ss

ALICE M. McAVOY
Notary Public, State of New York
No. 01MC4928182
Qualified in Nassau County
Commission Expires April 18, 2006

On the 28 day of September, 2004, before me, a notary public in and for the State and County aforesaid, personally appeared Ken Gethman, who acknowledged himself/herself to be the Senior Vice President of Longview Fibre Co. a Corporation, and that he/she as such officer, being authorized to do, executed the foregoing instrument for the purposes therein contained by signing the name of the authorized agent of the Corporation by himself/herself as such Senior Vice President.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.



Amanda P. James
Notary Public

My Commission Expires: 7-29-2007

STATE OF WASHINGTON)
COUNTY OF _____) ss

On the _____ day of _____, 200____, before me, a notary public in and for the State and County aforesaid, personally appeared _____, who acknowledged himself/herself to be the _____ of _____ a _____, and that he/she as such officer, being authorized to do, executed the foregoing instrument for the purposes therein contained by signing the name of the authorized agent of the _____ by himself/herself as such _____.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Notary Public

My Commission Expires: _____

RAS0669(Clean)

LFC000935

EXHIBIT A

PREMISES: 6705 EAST MARGINAL WAY SOUTH, SEATTLE, WA.

LOCATED ON PROPERTY LEGALLY DESCRIBED AS:

PARCEL A OF SHORT PLAT NO. 173, RECORDED UNDER KING COUNTY
RECORDING NO. 7508060681;

SITUATE IN THE COUNTY OF KING, STATE OF WASHINGTON.